

DRAFT

TENANT SELECTION PLAN

Taylor Street Library and Apartments 1328-1350 W Taylor St, Chicago, IL 60607

I. INTRODUCTION

This **Tenant Selection Plan** (the “Plan”) outlines the procedures that **Related Management Company, L.P.** (“Management”) will follow in selecting residents for **Taylor Street Library and Apartments** (the “Development”). Management is responsible for implementing the procedures outlined in this Plan. [TBD] is (the “Owner”).

The Development consists of 73 apartment units and is a mixed income development offering rental housing subject to various programmatic and income eligibility categories. The program and income eligibility will be maintained as follows:

- A. **LIHTC Units** – At least 66 units shall be subject to the provisions of the Federal Low Income Housing Tax Credit program (“LIHTC Requirements”). Households that meet the LIHTC Requirements must have incomes at or below 60% of Area Median Income.¹
- B. **ACC-Assisted Units** – Of the 66 LIHTC Units, 37 shall be designated for occupancy by Chicago Housing Authority (“CHA”) households and defined as the “ACC-Assisted Units”. (The additional 29 of 66 income restricted units are defined as the “Affordable Housing Units.”)
- C. **Market Rate Units** – Up to 7 units shall be considered unrestricted with no income restrictions (“Market Rate Units”).

The following policies and procedures will apply to all applicants for ACC-Assisted Units and Affordable Housing Units, unless otherwise noted. Management recognizes that there are additional rights and responsibilities for ACC-Assisted Unit applicants under the Relocation Rights Contract (“RRC”) and Chicago Housing Authority Admissions and Occupancy Policy.

¹ Notwithstanding any provisions of this Plan to the contrary, in the event of any conflict between the Plan and the LIHTC Requirements, the LIHTC Requirements shall govern. If an existing household occupying a tax credit unit experiences a change in income so as to no longer be considered income eligible for that unit, the household may remain in the rental unit. In such an event, Management will make every effort to maintain the minimum number of units rented to income eligible households as required under the tax credit program.

Technical terms contained in this Plan otherwise defined herein, are further defined in Exhibit J (“Definitions”).

II. MARKETING PROCEDURES

A. Affirmative Marketing Requirements

Management will initiate affirmative marketing efforts ninety (90) days before any other marketing efforts. Management will send a Pre-Marketing Letter (Exhibit A) to the groups listed on the outreach section of the Development’s Affirmative Fair Housing Marketing Plan stating that the marketing of the Development is commencing. This letter will also contain descriptive information about the Development and solicit tenant referrals and will be published in English and Spanish.

In addition to the outreach activities stated above, Management will publish a General Notification. “General Notification” is the placement of suitable advertisements in newspapers identified in the Development’s Final Marketing Plan and Affirmative Fair Housing Marketing Plan. Management will publish the General Notification no later than ninety (90) days after completion of all affirmative marketing efforts. The General Notification will include the following items: name, address, telephone and TDD number of the rental office, the approximate date units will be available, and the size of the units available. In addition, all printed advertisements will include the Fair Housing logo. The General Notification will also request that persons interested in living in the Development should contact Management within fifteen (15) days of the date of publication of the General Notification.

Applicants for the ACC-Assisted Units that are subject to the RRC are referred to herein as the “RRC Applicants”. The marketing of ACC-Assisted Units will begin by notifying the prospective residents included in the CHA Relocation Management Tracking System (“RMTS”) database of the upcoming availability of units. If such notification does not yield a sufficient number of responses from CHA residents, Management will consider more extensive outreach measures. CHA will maintain the RMTS database and will be the primary source of prospective public housing residents. The CHA will provide Management with sufficient training and instructional materials such that Management can utilize the RMTS database in accordance with the terms of this Plan.

B. Additional Marketing

If marketing efforts detailed above do not generate a sufficient number of persons interested in the Development, then Management will undertake additional marketing efforts as outlined in the Final Marketing and Affirmative Fair Housing Marketing Plans.

III. PRIORITY OF APPLICANTS

A. Priority of Applicants for ACC-Assisted Units

Preference for the admission of ACC-Assisted Units will be given to eligible RRC Applicants in accordance with the levels of preference established by the RRC, subparagraph (4)(d). The CHA will provide Management with a list (or access to a database of all families covered by the RRC as it relates to the premises and that are Authority Lease Compliant (as defined in the RRC) (the "RRC List"). The RRC List will also reflect an order of priority for admission consideration established by the CHA, in compliance with the Housing Offer Process ("HOP"). These preferences shall remain in effect until the list has been exhausted. At all times, admission to the ACC-Assisted Units shall be governed by the requirement that all of the ACC-Assisted Units shall be occupied by residents in accordance with the income requirements set forth in Section I hereof.

B. Priority of Applicants for Accessible Units

Management will give priority for accessible units to applicants with disabilities. Unless an applicant requests priority placement in an accessible unit, Management will not inquire whether an applicant for a dwelling, a person intending to reside in that dwelling unit after it is rented and made available, or any persons associated with that person, has a disability or inquire as to the nature or severity of the disability of such person.

IV. APPLICATION PROCESSING

A. Distribution of Application Forms

Management will provide an Application Form (Exhibit B) to all persons making inquiries about residing in the Development, and to eligible RRC Applicants and Applicants for ACC-Assisted Units as defined in Section III.A.

B. Processing Applications

1. Management will file and log in order of receipt all returned Applications, indicating the time and date received. The Application Log (Exhibit C), or an electronic version thereof, will indicate whether the applicant has any priority or requested an accessible unit.
2. Management does not have to accept Applications after the date on which the Development reaches ninety-five percent (95%) occupancy and the applicable Waiting List, as herein described, has been closed.

3. Management will maintain all Applications on-site for a period of three years, and will update information as necessary.

V. WAITING LIST PROCEDURES

A. Definition of Waiting Lists

Management will maintain a waiting list ("Waiting List") for Affordable Housing Units. Applicants who submitted Applications, but who Management did not contact for an interview or reject, will receive a letter stating they are on a Waiting List and their position on the applicable Waiting List. An applicant's position on the Waiting List will be based on the chronological order in which an applicant's Application is received; provided, however, that priority will be given to those who qualify for any priority or Special Occupancy Category described in Section (XII). Those applicants Management deems ineligible based on the information provided in the Application will receive a rejection letter (Exhibit D) specifying the reason for ineligibility and informing the applicant that they can meet with Management to discuss the reason for ineligibility.

The waiting list for ACC-Assisted Units will be derived by Management from the RRC list developed by the CHA to be made available to and managed by Management. Upon exhaustion of this list, the waiting list for ACC-Assisted Units will be derived by Management from the CHA general public housing waiting list or a site-based waiting list, as applicable. CHA will maintain waitlist management responsibilities for the general family public housing waitlist, as applicable, and in accordance with the ACOP.

Priorities in admission to occupancy will be consistent with the Gautreaux Orders. Gautreaux Orders are all applicable orders of the United States District Court for Northern Illinois in Gautreaux vs. CHA et al., Nos. 66 C 1459 and 1460.

B. Contacting Persons on the Waiting List

1. Management will contact applicants for the Affordable Housing Units through the following process to schedule an interview: When a unit becomes available, Management will then telephone the selected applicant at least three (3) times within a forty-eight (48) hour period. If the applicant cannot be reached, a letter shall be sent by pre-paid first class mail to the applicant requesting a date and time for an interview. If the applicant does not respond within ten (10) business days from the date Management sent its letter, then the applicant forfeits the opportunity to apply for the available unit, but will remain at the top of the applicable Waiting List. When a second unit becomes available, Management will send another letter to the applicant. If the applicant does not respond to the second letter, Management will deem the applicant inactive and remove the applicant from the Waiting List.

2. If an applicant refuses a unit, the applicant remains at the top of the applicable Waiting List. Management will send a letter to the applicant stating that after a second refusal of an available unit Management will remove the applicant from the applicable Waiting List and place the applicant in the inactive file.
3. When an interview is scheduled, but the applicant fails to attend, Management will attempt to contact the applicant by telephone. Management will telephone the selected applicant three (3) times within a forty-eight (48) hour period. If there is no contact made with the selected applicant, Management will place the applicant's Application in the inactive file. However, if Management does contact the applicant and the applicant had good cause, as determined in Management's discretion, to miss the interview, such as illness or accident, then Management will schedule another appointment. If the applicant again fails to attend the interview, Management will place the applicant's Application in the inactive file.
4. Management will document all of its attempts at contacting the applicant in its Tenant Tracking Log (Exhibit E).
5. When a ACC-Assisted Unit becomes available, Management will first obtain applicant names and contact information from the CHA's RRC waiting list or general family public housing waiting list and process in accordance with this Section V.B.

C. Updating the Waiting List

Following the completion of initial interviews, the Affordable Housing Unit waiting list will be updated at least once every twelve (12) months in the following manner: Management will send a letter to each applicant on the Waiting List (Exhibit F). The letter will inform the applicant to return the included Reply Card (Exhibit G) if the applicant still wants to live at the Development. The applicant will have fifteen (15) business days from the date Management sent its letter to respond. If Management receives no response, Management will place the applicant's Application in the inactive file and send a letter informing the applicant of this action (Exhibit H).

For the ACC-Assisted Units, CHA will maintain waitlist management responsibilities for the general family public housing waitlist or site-based waitlist, as applicable.

D. Removal from Waiting List

Management will remove names of applicants from the Waiting List for the following reasons:

1. Applicants who do not respond to Management's request to attend meetings or provide and/or update information. When an interview is scheduled, but the applicant fails to attend, Management will telephone the selected applicant three (3) times within a forty-eight (48) hour period. If there is no response from the applicant after three (3) attempts within forty-eight (48) hours, the applicant's name will be determined inactive and removed from the Waiting List.
2. Applicants whose correspondence from Management the U.S. Postal Service marked as "Undeliverable."
3. Applicants who have not returned a completed application within ten (10) business days from the date Management provided an application. Applicants with unusual circumstances may request, in writing, an extension of time, which Management can grant at its discretion.
4. Applicants who Management determines are former tenants that owe money to the Roosevelt Square Development. Management will place these applicants on the Waiting List only after the applicant has paid the debt.
5. For the ACC-Assisted Units, CHA will maintain waitlist management responsibilities for the general family public housing or site based waitlist, as applicable, and in accordance with the ACOP.

E. Closing the Waiting List

Once the number of Applications for a unit size equals three times the total number of units for that size inside the Development or if the Development has attained ninety-five percent (95%) occupancy, then Management does not have to accept any additional Applications.

<u>Unit Size</u>	<u>Applications per unit size (guideline)</u>
1 Bedroom	138
2 Bedrooms	81

For the ACC-Assisted Units, CHA will maintain waitlist management responsibilities for the general family public housing waitlist or site-based waitlist, as applicable.

F. Reopening the Waiting List

If, based on the maximum number of Applications, it is anticipated that all persons who have submitted Applications for a specific unit size and income tier will be housed within the next twelve (12) months, the Waiting List for that unit size and income tier only will be reopened and Applications will again be

accepted. Management will present the notice of the reopening of the Waiting List to the public through marketing efforts outlined in the Affirmative Fair Housing Marketing Plan.

For the ACC-Assisted Units, CHA will maintain waitlist management responsibilities for the general family public housing waitlist or site-based waitlist, as applicable.

VI. APPLICATION PROCESS

A. Application Requirements

The following application requirements shall be applicable for all units in the Development, except where otherwise noted.

1. A written application will be taken for all units.
2. A credit and criminal background report will be ordered for all household members 18 years of age and older, including a check of all state sex offender registration programs that provide such information. If the applicant meets the credit and criminal background standards for the Development, a verification of household income and assets will be obtained for all unit types. Applicants other than those for ACC-Assisted Units will pay a non-refundable credit/criminal background check fee of thirty-five (\$35) dollars.
3. Management will schedule interviews with applicants for Affordable Housing Units in accordance with the procedure outlined in Section (V)(B). Management will use a temporary location until the Management office is available. All members of the applicant household must attend the interview. Management will require all members of the applicant household aged 18 years and older and, if applicable, the emancipated minor, to sign the rental application and release forms authorizing Management or a third party under contract with Management to determine if the applicant satisfies the Screening Criteria as set forth in Article IX.

Management will schedule interviews for applicants for ACC-Assisted Units in accordance with the procedure outlined in Section (V)(B). Management will use a temporary location until the Management office is available. All members of the applicant household must attend the interview. Management will require all members of the applicant household age 18 years and older to sign the rental application and release forms authorizing Management or a third party under contract with Management to determine if the applicant satisfies the Screening Criteria. CHA ensures that applicants for the ACC-Assisted Units will have already gone through a credit and background check that covers the past three (3) years, or will pay Management a \$35 fee per

applicant if Management is to perform the three (3) year background check. Management will pay any additional costs for any credit or background checks on Applicants for the ACC-Assisted Units beyond three (3) years, and such checks shall be limited to a period of five (5) years as described in Section IX hereof.

4. All applicants must, as determined by Management, meet the Screening Criteria, established in accordance with Fair Housing requirements and set forth in Section IX of this Tenant Selection Plan.
5. With respect to applications for all household members age 18 years and older for Affordable Housing and ACC-Assisted Units, Management will take the following actions:
 - a. Verify Social Security Card information for all household members age six (6) and older or certify that household member has not been assigned a Social Security number.
 - b. Verify documentation for household members who are non-citizens.
 - c. Obtain copies of birth certificates for all household members.
 - d. Determine anticipated total annual income from all sources received by the household, including all net income derived from Net Family Assets, other than earned income of household members younger than 18 years old in accordance with the requirements of Section 42 of the Internal Revenue Code, as amended (the "Code"). Management will consider only the income the household anticipates obtaining in the twelve months preceding the date of the rental application. If it is not feasible to anticipate a level of income over a 12-month period, Management will annualize the income anticipated for a shorter period. In the event anticipated income is zero, Management will require a notarized statement signed by all household members age 18 years or older demonstrating that no income is coming into the household. Subject to the requirements of Section 42 of the Code, income includes, but is not limited to, the following:
 - Full amount of wages and salaries, overtime pay, commission fees, tips and bonuses, and other compensation for personal services
 - Net income from operation of a business or profession
 - Interest, dividends, and other net income of any kind from real or personal property such as, but not limited to Net Family Assets, as defined below
 - Full amount of periodic payments from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts including a lump sum benefit for the delayed start of a periodic payment, excluding lump sum payments of Social Security benefits
 - Unemployment, disability compensation, worker's compensation, and severance pay

- Assistance from the Department of Human Services (“DHS”), such as Temporary Aid to Needy Families (If overpayment or reduction of a grant from DHS is established, the gross amount of the grant will be used for the calculation)
- Alimony, child support payments, and regular contributions or gifts received from persons not residing with the household
- All regular pay, special pay, and allowances of a member of the Armed Forces

Income does not include:

- Income that is temporary or not of a recurring nature
- Sporadic gifts
- Reimbursements of medical expenses for any family member
- Lump sum assets, such as inheritances, insurance payments, worker compensation settlements, capital gains, and any settlements for personal or property losses
- Hazardous duty pay for a household member in the Armed Forces
- Earned Income from employed dependent children, including foster children, younger than 18 years old
- Payment received for care of foster children or foster adults
- Payment or allowances from the Energy Assistance Program
- Amounts received from programs funded in whole or in part under the Job Training Partnership Act or Family Support Act
- Full amount of student financial assistance paid directly to the student or to the educational institution
- Amounts received from training programs funded by Department of Housing and Urban Development (“HUD”)
- Amounts received by a disabled persons that are disregarded in determining Supplemental Social Security Income eligibility
- Amounts received to cover out-of pocket expense necessary to participate in a publicly assisted program

“Net Family Assets” include:

- Cash
- Stocks
- Bonds
- Savings
- Value of equity in real property and other forms of capital investments excluding the cost that would be incurred in disposing of the assets
- In the case of disposition as part of a separation or divorce settlement, the disposition will not be considered for less than fair market value if it is received and is not measurable in dollar terms.

“Net Family Assets” does not include:

- Personal property

B. Completion of the Application Process

Management will process all applications within thirty (30) business days after the date of the applicant's initial interview.

VII. ELIGIBILITY REQUIREMENTS

A. Income

1. 37 ACC-Assisted Units are set aside for Chicago Housing Authority households with incomes at or below 60% of Area Median Income, as established by the Low Income Housing Tax Credit Program rules and regulations for the appropriate household size.
2. 29 Affordable Housing Units are set aside for households with incomes at or below 60% of Area Median Income, as established by the Low Income Housing Tax Credit Program rules and regulations for the appropriate household size.
3. With the exception of applicants for ACC-Assisted Units, Applicants must have income sufficient to pay the rent plus utilities.
4. Applicants will be required to pay a minimum monthly rent of seventy-five dollars (\$75).

B. Sole Residence

For each ACC-Assisted Unit and Affordable Housing Unit applicant, the unit in the Development must be the applicant's sole residence in order for the applicant to be eligible for housing.

VIII. OCCUPANCY STANDARDS

- A. The following standards will determine the number of bedrooms required to accommodate a family of a given size, except that such standards may be waived when a vacancy problem exists and it is necessary to achieve or maintain full occupancy. In selecting a unit size for the applicant, Management's occupancy standards, and any waivers thereof, must comply with Federal, State, and local fair housing and civil rights laws, landlord-tenant laws, and zoning laws. Minimum occupancy requirements as set forth below shall not apply to Market Rate Units.

<u>Number of Bedrooms</u>	<u>Number of Persons</u>	
	<u>Minimum</u>	<u>Maximum</u>
1	1	2
2	2	4
3	3	6
4	4	8

B. If during the term of any lease, a child is born to a household member or a child under the age of one is adopted by a household member, and as a result of such birth or adoption, the occupancy standard established above shall be violated, the tenant shall not be required by Management to move or transfer to a larger unit in order to comply with the occupancy standard until the conclusion of the term of the lease in force as of the first birthday of the new child; provided that the tenant shall at all times satisfy all other obligations under the lease, rules, and regulations applicable to the leased unit.

IX. SELECTION AND REJECTION CRITERIA

Meeting the eligibility requirements under Section (VII) does not mean that an applicant will be a suitable tenant. Management will also consider the ability of the applicant to fulfill the obligations of tenancy, including paying rent and other charges, caring for and avoiding damage to a unit and common areas, and refraining from engaging in activities that would threaten the health, safety or right of peaceful enjoyment of the premises by others. For the purpose of the CHA Leaseholder Housing Choice, the criteria under this Section (IX), subject to the CHA Grievance Procedure referenced in Section XI(B), shall be deemed property specific requirements (“Screening Criteria”), compliance with which shall be determined in Management’s discretion:

A. Age

Applicants must be at least 18 years old. Emancipated minors are also eligible to apply for ACC-Assisted Units.

B. Insufficient/Inaccurate Information on Application

Refusing to provide information and/or documentation as required by Management for the application or supplying false information will be grounds for rejection.

C. Credit, Financial Standing, Employment and Self-Sufficiency

1. Management will assess the applicant’s financial ability to pay rent. Management will consider income ratios in the context of the applicant’s credit, employment history, and potential for increases in income. The foregoing provisions of this Section (IX) shall not apply to applicants for ACC-

Assisted Units, who, if accepted for occupancy will pay rent in accordance with applicable federal regulations.

2. Any unsatisfactory history of meeting financial obligations, including but not limited to the payment of rent and outstanding judgments or a history of late payment of bills as outlined below, will be reviewed carefully and may, in Management's discretion, be grounds for rejection:

All applicants (head of household and co-head of household) will be subjected to review and will be expected to meet, at a minimum, the following standards:

- a. No delinquency in excess of \$3,000, including but not limited to matters that have been referred for collection and civil judgments, within the past two years; provided that a delinquency in excess of \$3,000 will be considered in light of any mitigating circumstances that can be documented by the applicant, such as loss of a job, illness or medical problems. Where the applicant has a good history of rent and utility payment, as determined in Management's discretion, the applicant will be conditionally accepted and permitted to demonstrate prompt rental and utility payment acceptable to Management in the first year of occupancy. If an otherwise eligible applicant has a good history of rent and utility payment, as determined in Management's discretion, but also a delinquency as described above, the applicant will be conditionally accepted and permitted to occupy a rental unit (provided all other requirements for occupancy are met) subject to the requirement that such tenant demonstrate prompt rental and utility payment acceptable to Management, in its discretion, in the first year of occupancy.
- b. No landlord judgments and no lease violations within the last three years.
- c. Any bankruptcy must be at least three years old, with no new negative credit history; provided, however, that an individual whose bankruptcy discharge date is within the last three years will receive further consideration by Management in the case of mitigating circumstances such as excessive medical bills, loss of employment for an extended period, or divorce. Management will give less negative weight to those bankruptcies that occurred earlier in the three-year period. Management will also give less negative weight to bankruptcies where bankruptcy debts did not include rental and utility payments. The decision to continue processing the rental application in light of such mitigating circumstances relevant to a bankruptcy will be made on a case-by-case basis in Management's discretion.
- d. Applicants for ACC-Assisted Units may not have debt payable to any public housing authority.

- e. Any outstanding delinquencies owed to utility providers must be paid prior to approval. An allowance may be made for a payment plan with a utility that is in good standing and that utility's willingness to re-establish an account with the applicant. Management will require proof of such a plan.

If Management rejects a rental application because of poor credit or financial standing, Management will provide the applicant with the reason for rejection and give the name of the credit bureau that provided the credit report. An applicant may appeal a rejection pursuant to Section (XI)(B).

3. The inability to verify credit references may result in rejection of an application. Management will consider special circumstances in which the applicant has not established a credit history, such as income, age, or marital status. In such circumstances, Management may require that a person with a history of creditworthiness guarantee the lease.
4. The inability to verify income may result in the rejection of the application. Management will accept all legal forms of verifiable income. In the case of child support, the applicant must validate the child support payments by providing documentation of the following, court documentation or another governmental agency with records of such payments or a minimum of six consecutive months of cancelled checks or a photocopy of six consecutive months of cancelled checks, bank statements, money order receipts, or cashiers' check receipt.
5. Employment/Self Sufficient Requirement.
 - a. For the purpose of initial application screening, an applicant will be considered to have met the employment/self-sufficiency screening requirement if the applicant provides evidence, acceptable to Management in Management's discretion, that the head of household and co-head of household are spending thirty (30) hours a week in employment, and all other members of applicant's household over 18 years of age are engaged in one or a combination of the following activities for thirty (30) hours each week: (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program, which shall include a program designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, paid or unpaid internships, transitional jobs, public benefits work programs, financial or household management, or an apprenticeship; and (3) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes.

- b. A household can be considered engaged in activities to meet the employment/self-sufficiency screening requirement and once accepted for residency will be considered to meet minimum continued occupancy requirements by having all members of the household 18 years of age and over engaged in one of the following or a combination of the following activities for thirty (30) hours each week: (1) employment; (2) enrollment in and regular attendance in an economic self-sufficiency program which shall include a program designed to encourage, assist, train or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, paid or unpaid internships, transitional jobs, public benefits work programs, financial or household management, or an apprenticeship; and (3) enrollment in and regular attendance in a regular program of education including GED classes, secondary or post-secondary education, or English proficiency or literacy classes. Evidence of satisfaction of this requirement may include among other things, written verification of employment from an employer, a pay stub indicating hours worked, or written verification of enrollment in a program identified above by an administrator or instructor of such program.
- c. Following initial occupancy, if any member of a household 18 years of age or over is employed fewer than thirty (30) hours each week, the household must be engaged in case management services administered by Heartland Human Care Services (HHCS) or another qualified (by CHA) provider in coordination with HHCS to ensure progress toward meeting the employment criteria. At any time the prospective resident served by another provider can request to have their case management transferred to HHCS and such transfer will be accommodated as expeditiously as possible in a manner that will least disrupt the prospective resident's progress toward meeting the criteria.
- d. Any household accepted for residency at Taylor Street Library and Apartments, must meet the criteria on an ongoing basis or be engaged in case management with HHCS, although services may be delivered by another agency approved by HHCS as part of the joint planning process with the resident.
- e. A member of a household shall not be required to comply with the requirements of the employment/self-sufficiency requirements when such member of the household is (a) age 62 or older, (b) a blind or disabled individual as defined under 42 U.S.C. 416(i)(1) or 42 U.S.C. 1382c and provides third party verification that he or she is unable to comply with the requirements of this paragraph because of his or her blindness or disability, (c) the primary caretaker of such a blind or disabled individual

and provides third party verification that he or she is unable to comply with the requirements of this section because of his or her role as such a caretaker, (d) temporarily (for a period of less than 12 months) unable to meet the 30 hour employment requirement as a result of a serious medical impairment, (e) receiving a retirement pension from prior full-time employment, military service or government employment, or (f) is in receipt of Social Security Widow(er) benefits.

- f. All households will be expected to make best efforts to meet or exceed the thirty (30) hour employment requirement in Section IX.C.5 above. A resident will still be in compliance with the employment requirement during a period of temporary unemployment, not to exceed six (6) consecutive months or a period as long as unemployment benefits are available, including extensions, whether or not the resident is qualified for such benefits. Residents who are temporarily unemployed will be required to provide Management documentation of their compliance with unemployment benefit requirements for seeking employment or must engage in other self-sufficiency activities.
6. Applicants will be required to document that all household members under 18 years of age are actively attending school or an alternate educational program; in cases where a youth has been expelled from school, the applicant is required to demonstrate that a good faith effort has been made to exhaust all remedies to get the student readmitted to another school or enrolled in an alternate educational program; in cases where a minor has graduated from high school prior to the age of 18, such person shall be subject to the requirements of paragraph IX.C.5 hereof.

D. History of Residency

Prior evictions and/or outstanding landlord and/or housing judgments within the past three years will be grounds for rejection of an application.

The previous three (3) years of housing and/or the past two landlords will be verified and documented for each applicant. This includes housing for applicants who were previously homeowners or lived with parents or guardians. Management will consider the following circumstances with respect to the applicant or any other person who will be living in the unit, and may be grounds for rejection of an application:

1. Any history of physical violence to persons or property.
2. Any behavior at prior residence that could adversely affect the health, safety, and quiet enjoyment of other tenants.

3. Any criminal activity by a guest or visitor of the applicant that threatened the health, safety or peaceful enjoyment of other residents.
4. A documented pattern of failure to timely pay rent.
5. Applicant is in violation of applicant's current lease.
6. Any activity that involved causing a fire on or near residential premises, either intentionally, or through negligence or careless disregard.

E. Criminal Activity/Drug-Related Activity

1. In accordance with HUD's PIH Notice 2015-19 issued November 2, 2015, an applicant's eligibility for housing shall not be determined solely based upon whether the applicant has an arrest record. However, Owner and Management may evaluate an applicant's arrest record to determine if, based on other available documentation regarding the circumstances of the arrest (e.g., witness statements, police reports and other relevant documentation) the person engaged in disqualifying criminal activity.
2. Management will not admit an applicant if a background check reveals any of the following circumstances with regard to an applicant or member of an applicant's household 18 years of age and older:
 - a. Any applicant or member of applicant's household is subject to a lifetime registration requirement or a 10 year registration requirement under Illinois' sex offender statute or any other state sex offender registration program;
 - b. Any applicant or member of applicant's household 18 years of age and older was convicted of manufacturing methamphetamine in federally assisted housing;
 - c. Any criminal activity during the period subject to review under Section 5(a)(2) of the current form of the CHA Residential Lease Agreement, currently the past three years, or any successor provision thereto, the "Review Period," that involved physical violence to another person or property, assault, aggravated assault, or which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other Residents, Management or its employees;
 - d. Any drug-related criminal activity during the Review Period, including but not limited to the illegal manufacture, sale, distribution, use, possession, storage, service, delivery, or cultivation of a controlled substance;

- e. Any criminal activity involving a weapon, as defined under the criminal code of the State of Illinois (“Illinois Criminal Code”), during the Review Period, including but not limited to displaying a weapon with a verbal or non-verbal threat to shoot, fire, explode, throw, or otherwise discharge a weapon to inflict injury on another person or to damage any property through the intentional, reckless, careless, or negligent use of such weapon; or
 - f. Any criminal activity during the Review Period that involved arson.
3. The following circumstances will be grounds for rejection of an application or member of an applicant’s household 18 years of age and older, provided that such circumstances, including the period during which criminal activity occurred, will be considered on a case by case basis in light of mitigating circumstances by Management in its discretion, as specified in Section (IX)(E)(3) below:
- a. In the past five years any member of the applicant’s household engaged in any criminal activity which would constitute a felony under applicable law;
 - b. Except as otherwise noted in Section (IX)(E)(2)(c) above, any criminal activity during the past five years prior to screening, including:
 - (i) Physical violence to another person or property, assault, aggravated assault, or activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other Residents, Management, or its employees;
 - (ii) Any drug-related criminal activity, including but not limited to the illegal manufacture, sale, distribution, storage, service, delivery, or cultivation of a controlled substance;
 - (iii) Any criminal activity involving a weapon, as defined under the Illinois Criminal Code, including but not limited to displaying a weapon with a verbal or non-verbal threat to shoot, fire, explode, throw, or otherwise discharge a weapon to inflict injury on another person or to damage any property through the intentional, reckless, careless, or negligent use of such weapon; or
 - (iv) Any criminal activity that involved arson.
4. Mitigating circumstances are facts relating to the applicant’s record of unsuitable behavior which, when verified, would indicate that the reason for the unsuitable behavior is no longer in effect or is under control and the applicant’s prospect for lease compliance is an acceptable one. Consideration of verifiable mitigating circumstances does not guarantee that an applicant will be admitted. Management, in its discretion, will consider the seriousness of the offense, whether or not the applicant was convicted of the

offense, the circumstances surrounding the offense, and whether the offense occurred only once or was repeated. In addition, Management, in its discretion, will consider the following mitigating circumstances as support for an applicant's assertion that the applicant is no longer involved in criminal activity and that his or her prospect for lease compliance is acceptable:

- a. The applicant has no subsequent criminal history;
- b. Verification from a probation or parole officer that the applicant has satisfied the terms of his or her probation or parole, if applicable;
- c. Verification of the applicant's participation in services or counseling services, if applicable;
- d. Verification that the applicant has made restitution for his or her criminal activity, if applicable;

In connection with evidence of previous or current illegal drug use, applicant provides:

- (i) Verification from a reliable certified drug treatment counselor or program administrator indicating that the applicant has been in treatment, that there is a reasonable probability that the applicant will be successful in refraining from using illegal drugs and that the applicant is complying with the program requirements and is not currently using a controlled substance. A reliable counselor or program administrator is someone who has demonstrated a pattern of providing accurate and reliable information. Management shall be the final judge of what constitutes adequate and credible verification.
- (ii) Verification from a self-help program, such as Narcotics Anonymous, indicating that the applicant has been participating in their program, that there is a reasonable probability that the applicant will be successful in refraining from use of illegal drugs and is not currently using a controlled substance;
- (iii) Verification from a probation or parole officer that an applicant has met or is meeting the terms of probation or parole with respect to refraining from the illegal use of a controlled substance; or
- (iv) Negative results of an additional voluntary drug test, conducted at facilities that use the National Institute of Drug Abuse Guidelines and which screens for illegal drugs only, not properly prescribed prescription drugs containing controlled substances.

- e. In connection with applicants who are currently enrolled in a substance abuse treatment program, but who have a history of substance abuse treatment followed by recidivism, Management will require that the applicant provide evidence of circumstances described in Section (VIII)(E)(3)(e) above and demonstrate why his or her current situation is more likely than in the past to lead to successful abstention from illegal use of controlled substances.

F. Violence Against Women Act (VAWA) Policy

The Violence Against Women Act (VAWA) protections apply to households applying for or receiving rental assistance under the project-based Section 8 (project and tenant based), 202, 811, 236, 221(d)(3), HOPWA, HOME programs, and public housing as well as Homeless Programs Under Title IV of the McKinney-Vento Homeless Assistance Act. The following non-HUD programs are also subject to VAWA 2013 but do not fall under HUD's Implementation Rules, unless instructed by your governing/monitoring agency: Rural Housing and LIHTC. The law protects women or men who are victims of domestic violence, dating violence, stalking or sexual assault, as well as their affiliated persons from being evicted or being denied housing assistance if an incident of violence is reported or if the victim suffers economic and criminal circumstances as a result of the abuse.

The law also creates emergency transfer options for victims and their affiliates, allowing survivors to transfer to a different unit if they are in fear for their life or safety, and provides for bifurcation of the lease to allow for an abuser to be removed and the victim and other household members to remain in the unit even if for a period of time. In addition:

1. HUD requires that a VAWA notice and certification forms be provided to (1) all applicants at move-in (2) applicants at the time of denial of housing, (3) to each household in the event that eviction or termination of assistance actions are commenced against the household no matter the reason.
2. An applicant's status as a victim of domestic violence is not a basis for denial of rental assistance or for denial of admission if the applicant otherwise qualifies for assistance and admission. If an applicant is living in a shelter for victims of domestic violence and crimes protected under VAWA, we may accept verification of this in lieu of additional landlord verification.
3. Being a victim of a VAWA crime is not a reason to change the eligibility or applicant screening requirements or to waive the requirements of the HUD Model Lease or other lease unless such requirements interfere with the protections provided under VAWA.

4. VAWA does not limit an owner's or agent's right to terminate assistance/tenancy for any violation that is not related to a VAWA crime. However, the owner/agent must not subject the victim or a person affiliated with the victim to a more demanding standard than other residents when determining whether to terminate assistance/tenancy.
5. VAWA does not limit an owner or agent's right to terminate assistance/tenancy if the owner/agent can demonstrate an actual and imminent threat would be present if that resident or lawful occupant is not terminated. An actual and imminent threat is a physical danger that is real, would occur within an immediate time frame, and could result in death or serious bodily harm. The threat would be to other tenants, employees of the property, or to vendors providing services at the site.
6. An incident or incidents of actual or threatened domestic violence will not be taken as serious or repeated violations of the lease or other "good cause" for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.
7. Assistance may be terminated or a lease bifurcated (divided) in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against household/family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain. Eviction or termination action against individuals must be in accordance with procedures prescribed by federal, state, and local law.
8. In the event that one household member is removed from the unit because he/she engaged in acts of domestic violence, an interim recertification must be processed by staff in a timely manner and in accordance with HUD regulations to reflect the change in household composition. Note: At sites that do not have interim recertifications (i.e. straight tax credit sites), a bifurcated lease addendum must be provided.
 - a. As regards VAWA lease bifurcation: it does not matter if the household member is a signatory on the lease. Bifurcation must be carried out in accordance with Federal, State or local laws. The remaining members must be given 90 calendar days from the date of bifurcation to:
 - establish eligibility under the covered program; or
 - establish eligibility under another covered program; or
 - find alternative housing.
 - b. The tenant may be given up to an additional 60 days if allowed by the program.

9. VAWA does not require an owner/agent to request that an individual seeking VAWA protections submit documentation of the status of the individual as a victim of domestic violence, dating violence, sexual assault or stalking; however, if such a request is made, management will provide the applicant or resident with a copy of the VAWA Certification form to fill out and process accordingly. Further, at least 14 days must be provided from the date of the request for completion by the applicant/resident.
10. Owners/agents may accept the following in lieu of the certification form: a document signed by an employee, agent or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional from whom the victim has sought assistance relating to domestic violence, dating violence, sexual assault or stalking or the effects of abuse; a document signed by the applicant or resident and that specifies, under penalty of perjury, that the professional believes in the occurrence of the incident of domestic violence, dating violence, sexual assault, or stalking that is the ground for protection; a record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or, at the discretion of the owner/agent, a statement or other evidence provided by the applicant or resident.
11. Residents or applicants who are victims of VAWA crimes may request a VAWA accommodation or an emergency transfer and should be provided with HUD-5383 (VET Request) form to fill out. The Development's VAWA Emergency Transfer Plan is available upon request at the Management Office.
12. Staff must retain all documentation relating to an individual's domestic violence, dating violence, sexual assault, or stalking in a separate file that is kept in a secure location. **Important Note: This documentation must not be incorporated into the standard applicant or resident file for the household.**

G. Home Visits/Unsanitary or Hazardous Housekeeping

1. Management may, at its discretion, conduct a home visit as a final step in the application process. Management will notify applicants at least two day before the scheduled visit and will conduct a maximum of two home visits for an application. The purpose of the home visit is to determine whether the applicant and all potential occupants are capable of caring for a unit in a way that creates a healthy and safe living environment and that the applicant demonstrates the ability to live in compliance with the rental agreement and to maintain satisfactory housekeeping standards.

2. If the unit inspected as part of the home visit shows health or safety hazards caused by the applicant or other potential occupants, housekeeping that contributes to infestation, or damage to the unit caused by the applicant or other potential occupants, the application may be rejected. Management may take photographs to document the applicant's housekeeping. Housekeeping criteria are not intended to exclude households whose housekeeping is only superficially disorderly if such conditions do not appear to affect the health, safety, or welfare of other residents.
3. If the home visit reveals that the applicant is currently permitting unauthorized occupants to reside in the unit, that the applicant or other potential occupants are engaged in criminal activity, or some other circumstances which are inconsistent with the information presented in the applicant's application, the applicant may be rejected. In addition, refusing Management access to the unit or any portion of the unit for the purpose of a home visit will be cause for rejection of the application. Management will document any cases where a home visit results in a rejection.
4. In the case of CHA residents, Management will make its best efforts to coordinate the home visit with the CHA screening/re-certification process in order to minimize intrusion to the resident. Management reserves the right to conduct an independent home visit for CHA residents if a joint home visit cannot be scheduled in a timely manner.

H. Pets

Pets will be permitted, in accordance with the limitations and requirements set forth in Management's Pet Policy.

I. Child Care

Children living in the Development must be adequately supervised. Applicants with children under thirteen (13) years of age must provide verification to Management that adequate day care or supervision will be provided at all times and written verification of school enrollment for children older than six (6) years of age and younger than 18 years of age, or until graduation from high school.

J. Other Basis for Rejection of Application

Other bases for rejection of an application may include the following:

1. At time of application, applicant submitted funds that were not honored by the financial institution from which they were drawn. Management will consider

any mitigating circumstances that can be documented by the applicant, such as loss of a job, illness or medical problems.

2. During interactions with Management, applicant behaves in an uncooperative manner, or is abusive as evidenced by objectionable conduct such as physical violence, threats, or profanity. Management shall maintain written documentation of such conduct and Management shall provide, upon request, applicants and CHA with copies of such written documentation.
3. A unit of appropriate size is not available, as determined by the Occupancy Standards in Section (VIII). Applicants for ACC-Assisted Units will be returned to the waitlist if a unit of the appropriate size is not available.
4. Applicant has attempted to bribe a member of staff in order to obtain an apartment.

K. Fair Housing and Civil Rights Acts

The policies under this Tenant Selection Plan have been established to minimize subjective factors in deciding whom we will select for residency. Our general approach will be to accept those applicants who meet the selection criteria as set forth in this Plan. Selection of residents will be made on an equal opportunity basis in compliance with all federal, state, and local fair housing and civil rights laws and without discrimination as to race, color, sex, religion, national origin, handicap or disability, familial status, age, ancestry, marital status, parental status, sexual orientation, gender identity, order of protection status, lawful source of income, military status or military discharge status.

Section 504 of the Rehabilitation Act of 1973 ("Section 504") prohibits discrimination based upon disability in all programs or activities operated by recipients of federal financial assistance. Persons with questions or information concerning Section 504 compliance at the Development should contact the Section 504 Coordinator listed below:

Section 504 Coordinator:	Kathy Maggio
Telephone Number:	(312) 726-5600
TDD Number: ²	7-1-1

²7-1-1 is a national service number that connects the caller to a State designated TDD relay service provider that will act as a relay between a hearing impaired applicant caller and the Development. Calls made to 7-1-1 and the relay service provided are free of charge unless the caller's location in relation to the Development would make the relay a long distance call. Long distance charges, if applicable, are billed to the caller through the caller's existing long distance provider. For more information on about this services and how it works, go to www.illinoisrelay711.com.

L. Consideration of Mitigating Circumstances:

1. If Management receives negative screening information on an applicant, applicant may contact Management and set up a second meeting to determine whether mitigating circumstances exist that make it possible to approve the application.
2. If an applicant fails to satisfy the Screening Criteria and there is no evidence of mitigating circumstances satisfactory to Management, Management will reject the application.
3. Owner and Agent shall evaluate and re-evaluate from time to time this Tenant Selection Plan's eligibility and screening criteria, especially relating to criminal history and criminal activity and the documented mitigating circumstances that may be considered relating thereto, in order to avoid tenancy selection policies and housing practices that while facially neutral may have an unjustified discriminatory effect on applicants or residents because of race, national origin or other protected characteristics. In connection therewith, Owner and Agent have received copies of and are familiar with HUD's April 4, 2016 Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions.

X. APPLICATION ACCEPTANCE AND MOVE-IN PROCEDURE

- A. Management will notify applicants upon successful completion of the application process at which time arrangements will be made, including a specific time schedule, for lease signing, payment of security deposit and first month's rent, and attendance at a new resident orientation.
- B. The applicant must pay the first month's rent and security deposit at the time the lease is signed in the form of a money order or cashier's check. The security deposit is equal to one month's rent. Residents of ACC-Assisted Units will pay a security deposit in accordance with CHA's security deposit requirements, which currently require payment of a deposit equal to the greater of \$75 or one month's rent, but in no event in excess of \$150.
- C. An applicant who Management has approved for an apartment must sign the lease, pay the rent and the security deposit, and take possession of the apartment on the agreed-upon move-in date. Management will telephone an applicant to inform him or her that the rental application has been approved. In addition, Management will mail a "Welcome Letter" (Exhibit I) to the applicant that will include the next steps the applicant must take. An applicant who does not proceed with the move-in schedule outlined in the Welcome Letter may forfeit the designated apartment. If an applicant wishes to move in at a later date, but

within a thirty (30) day period of the date that the rental application was approved, Management may offer an alternate apartment and move-in date based on availability.

- D. At lease signing, all prospective residents must complete a new resident orientation program at the location designated by Management.
- E. All applicants accepted for occupancy shall sign the lease agreement and all other applicable lease addenda and riders thereto prior to occupancy.

XI. REJECTION PROCEDURES and APPEAL PROCESS

A. Written Notification

Management will promptly notify applicants in writing whose rental application has been rejected and will include the reason(s) for the rejection (Exhibit D). The notice will advise the applicant that he or she may within fourteen (14) business days of the receipt of the notice respond in writing or request to meet with Management to discuss the notice. The notice shall also inform the applicant that responding to Management's notice does not prevent the applicant from exercising any legal rights. In the case of applicants for ACC-Assisted Units, Management shall provide a copy of such notice to CHA.

B. Review of Rejected Applicants

The applicant will have fourteen (14) business days after receipt of notice of rejection to respond in writing or request a meeting with Management to appeal the rejection, "Appeal Request". An applicant appealing a rejection on the basis of poor credit or financial standing will be given twenty (20) days from Management's receipt of an Appeal Request to dispute any information on the credit report. If twenty (20) days lapse without the applicant disputing the information on the credit report, and the applicant has not pursued an appeal on other grounds pursuant to this Section, Management shall deem the application rejected and the applicant shall be required to re-apply for a unit in the Development. A member of the Management's staff who did not participate in the decision to reject the applicant will conduct any meeting with the applicant or review of the applicant's written response.

If the applicant appeals the rejection, the applicant will be given a final written decision from Management within five (5) business days of Management's meeting with the applicant or Management's receipt of the applicant's written response. If Management reverses the rejection, the applicant will be offered a suitable vacant unit. If no such unit is available, the applicant will be offered the next appropriate unit. While an applicant's appeal is pending, no unit will be reserved for the applicant. An applicant whose appeal Management denies will not be offered a unit.

Applicants for an ACC-Assisted Unit, whose application is rejected because of a failure to satisfy Management's Screening Criteria or a failure to engage in activities to meet the Screening Criteria may, pursuant to the CHA Grievance Procedure, request an informal hearing with Management and, if applicable, a formal hearing before an independent hearing officer. Management will provide CHA with copies of correspondence with the applicant in connection with the filing of a grievance by a rejected applicant, and with a Notice for Formal Grievance, attached to and made part of the Procedures.

XII. SPECIAL OCCUPANCY CATEGORIES

All applicants given preference within a Special Occupancy Category must meet the eligibility and selection criteria outlined in Sections (VII) through (IX) of this plan. Applicants will be interviewed and processed as authorized in Sections (V) through (X), with exceptions as follows:

A. Persons with Disabilities

An applicant with disabilities will be given priority for accessible units if an accessible unit is requested and documentation of need is received. Unless an applicant requests placement in an accessible unit, Management will not inquire whether an applicant or a member of an applicant's household has a disability or inquire as to the nature or severity of the disability of such persons. If the applicant deems that the accessible unit is not appropriate for the household's needs, the applicant's name will return to its place on the Waiting List.

XIII. AMENDING THE TENANT SELECTION PLAN

Management may amend this Tenant Selection Plan only with prior written approval of the CHA, which approval shall not be unreasonably withheld or delayed.

XIV. CERTIFICATION

By signing this Tenant Selection Plan, Management certifies that the contents of this plan will be followed as written in all material respects and that no other Tenant Selection Plan has been executed for the Development at this time or will be executed for the Development at this time, or subject to Section XIII, will be executed in the future without written approval from the CHA.

Submitted:

Management:

Owner:

By: _____

Name: _____

Its: _____

Date: _____

Approved: _____
Chicago Housing Authority

By: _____

Name: _____

Its: _____

Date: _____

Date: _____

DRAFT